State Bar of California, Office of Governmental Affairs

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Budget Deficit Now Estimated at \$23.6 Billion

The annual "May Revision" to the Governor's budget brought bad news to many, including California's courts. The new figures show a \$23.6 billion shortfall in revenues, which the Governor proposed Tuesday to fill with a combination of deep cuts and tax increases. The state's nonpartisan Legislative Analyst called the governor's plan "credible."

For the state's courts, the revised budget calls for \$62 million less in funding than the version introduced in January, including \$2.8 million less for the appellate courts and state court administration and \$59.2 million less for trial court funding. It also proposes to reduce increased spending for courthouse security from \$13.4 million to \$9.6 million.

Democrats and Republicans in the Legislature will spend many days debating budget cuts and increasing taxes, but the bottom line will center around getting the required two-thirds vote in each house – meaning that bipartisan support is required.

The state Constitution requires the Legislature to approve and send the Budget bill to the Governor by June 15 – though this deadline is honored infinitely more in the breach than the observance (the deadline has actually been met only a couple of times in the past quarter century). Given the extremes of the shortfall and the fact that this is an election year, a protracted budget battle is quite likely.

Important Legislative Dates

- May 24 Last day for fiscal committees to hear and report to the floor bills introduced in their house. Last day for any committee to meet.
- May 31- Last day for bills to be passed out of the house of origin.

- June 3 Policy committee hearings may resume.
- June 28 Last day for policy committees to meet and report any bills.
- July 5 Summer recess begins at the end of the day - if budget bill has been enacted.

Amended UPL Bill Clears Senate Public Safety Committee

Faced with a <u>Senate Public Safety Committee</u> adamant in its opposition to creating any new, non-violent felony that could possibly constitute a Third Strike, Senator <u>Gloria Romero</u> and State Bar President Karen Nobumoto agreed to substantial amendments to <u>SB 1459</u>, the Bar-supported bill to combat the unauthorized practice of law (UPL). With those amendments, the bill was unanimously approved by that committee and sent to the <u>Appropriations Committee</u>.

The earlier version of SB 1459 would have permitted misdemeanor or felony ("wobbler") prosecution of non-attorneys convicted a second or subsequent time of UPL under B&P Code §6126(a). As amended, the bill would instead:

- (1) Double the current maximum jail time permissible for a UPL conviction of a non-attorney from six months to one year;
- (2) Mandate a jail term of 90 days to one year for a second or subsequent UPL conviction, unless the interests of justice demand otherwise; and
- (3) Require the court that chose not to send the recidivist offender to jail to state the reasons why on the record.

SB 1459 still contains its earlier provisions making other, generally technical, improvements, in the UPL law, including clarifying that the actual practice of law by a disbarred or suspended attorney (not merely the advertising or holding out) is prosecutable as a wobbler.